State of Iowa - Return on Investment Program / IT Project Evaluation

SECTION 1: PROPOSAL

Tracking Number (For Project Office Use)

Project Name: Child Care MIS Component Date: 9/29/00

Agency Point of Contact for Project: Julie Ingersol

Agency Point of Contact Phone Number / E-mail: 281-4357 / jingers@dhs.state.ia.us

Executive Sponsor (Agency Director or Designee) Signature: _____
Mary Nelson

Is this project necessary for compliance with a Federal standard, initiative, or statute? (If "Yes," cite specific requirement, attach copy of requirement, and explain in Proposal Summary)	X Yes	❑ No
Is this project required by State statute? (If "Yes," explain in Proposal Summary)	X Yes	❑ No
Does this project meet a health, safety or security requirement? (If "Yes," explain in Proposal Summary)	X Yes	❑ No
Is this project necessary for compliance with an enterprise technology standard? (If "Yes," explain in Proposal Summary)	X Yes	❑ No
Does this project contribute to meeting a strategic goal of government? (If "Yes," explain in Proposal Summary)	X Yes	❑ No
Is this a "research and development" project? (If "Yes," explain in Proposal Summary)	❑ Yes	X No

PROPOSAL SUMMARY:

In written detail, explain why the project is being undertaken and the results that are expected. This includes, but is not limited to, the following:

1. A pre-project (before implementation) and a post-project (after implementation) description of the system or process that will be impacted.

   A. Pre-Project

   Currently Child Care is supported by a variety of existing DHS systems (e.g. IABC, SRS, PJ Payment, POSS) through a batch of programs stitched together over the years. The last major child care MIS initiative was accomplished more than 15 years ago and was designed without inter-connectivity to other systems. Additionally, payment to providers is accomplished through several different and incompatible payment systems.

   This project is being undertaken as part of DHS's strategic action plan and is a coordinated component of DHS's Data Warehouse, Iowa Resource House, Unified Front-End, and E-commerce initiatives. An internal review of the current system coordinated between AFCS and

the Department of Data Management showed two alternatives available to meet the needs of Executives, providers, case workers, and recipients. The first is the establishment of a new system designed to meet the needs of Child Care. The second is integrating this activity with current initiatives. This proposal covers this second initiative and is required to bring current Child Care information management systems to a point where Child Care programs can be effectively and efficiently managed along with providing an e-basis for this program. Critical deficiencies currently defined are:

1. Accurate & timely eligibility determination.

2. Accurate & timely payments to providers.

3. No linkage between licensing and registration files.

4. Limited information to support budgeting, recipient projections, demographic analysis, program efficacy, and program & provider accountability.

5. No linkages available to identify or provide coordinate services to families eligible for and in need of additional DHS services.

A programmatic review of the current systems shows items 1 & 2 above can be accomplished as a separately funded initiative, however, to eliminate all 5 deficiencies and prepare for integration into the unified front-end, data warehouse, and e-commerce mandates, this project must be funded at the levels proposed. The decreased costs to these other initiatives by the funding of this initiative have been accounted for by the separate initiatives.

B. Post-Project

This project directly impacts the Health, Safety, and Stability of Iowa's children. This project integrated with other DHS initiatives, results in making covered Adult, Child, and Family Services easier to access while providing enhanced management of limited resources.

1. Achieve 2003 Goal – This project is necessary to meet DHS e-commerce mandate.

2. Establish and Implement Enterprise Standards – To achieve enterprise standardization this system would have to be re-designed. As an integrated initiative, ACFS front-end and reporting will meet enterprise standards established to make information readily available throughout the enterprise. The front end takes care of all translations and transactions needed to provide a uniform look across all systems (some standardization is accomplished through the data warehouse also).

3. Inter-Systems Connectivity – Integration with other supporting systems creating a uniform set of data-based information to support all program activities.

4. Elimination of System Specific I/O Screens – Currently, all input and output screens must be built by programmers who have specialized knowledge in the particular system. These screens (e.g. registration) can easily be modified to meet programmatic or information needs at minimal cost.

5. Correlation of Data – Since users need information from several systems, they must get output reports from each system and then manually put the data into a spreadsheet or other document to compare and analyze the information. This problem will be eliminated. The user will have data schemas available to them based on their specific security levels and information requirements. This data will come from several systems, however, the user will only see the front end system.

6. Standardization of Data – The current systems were developed over several years. During this time many common data fields (e.g. name) were programmed differently. This requires special programming each time a user needs to cross-check systems information. This system will resolve all these issues at the front-end level, thereby eliminating the need to reprogram each system with new ITD established data definitions and standards.

7. Relational Data – This system, in concert with the data warehouse, will create a relational information system. Instead of having to manually evaluate data from several sources to ensure proper accountability, this system will install this feature. This is the baseline to establishing both a Single-Face-to-Customer where one person can help a Customer identify all services they are eligible to receive and to ensuring accountability across programs and to oversight entities.

8. Elimination of Redundancies – Currently the same information must be entered into several systems, through separate systems screens, and often in differing formats. This creates high volumes of redundant data on the systems which must be continually cross-checked for accuracy. This system eliminates this issue by writing to all systems which need the same data. Also, with data management tools currently available, we can begin eliminating hardened redundancies and free up expensive mainframe resources while shortening the processing time of system files. Additionally, elimination of redundancies enhances DHS's ability to identify accurately and in a timely manner possible fraud, waste, and abuse.

9. Reduced Training – When people transfer to different programs, they have to completely learn new systems. With an integrated front end, the only changing is the data schema available to them. Once trained, the can be operational in a new job significantly faster.

10. Availability – Information users will no longer be dependent on researchers or programmers. Nor will they have to wait for output. With client tools currently available, the system information will be readily available at the individuals' desk.

11. Security – As part of DHS's unified front end there will be significantly less security issues to manage. The primary security will be accomplished through the front end and not have to be continually updated on each system. Unauthorized access will be quicker and easier to detect.

12. Accessibility – Services will be easier to access by our Customers. This system will enable integration, across all current system boundaries, of total services available, eligibility, and will allow a Customer to begin access to the service faster, getting them the service they need to ensure Health, Safety, and Stability while promoting Self-Sufficiency.

2. A summary of the extent to which the project provides tangible and intangible benefits to either Iowa citizens or to State government. Included would be such items as qualifying for additional matching funds, improving the quality of life, reducing the government hassle factor, providing enhanced services, improving work processes, complying with enterprise technology standards, meeting a strategic goal, avoiding the loss of matching funds, avoiding program penalties/sanctions or interest charges, avoiding risks to health/security/safety, complying with federal or state laws, etc.

This initiative contains numerous benefits, both tangible and intangible across a wide spectrum of constituencies. For simplicity, they will be listed with a T (tangible benefit), I (intangible benefit), or TI (elements of both).

a. (TI) – Reconnecting Iowans to Government -Critical component to meeting the DHS's Action plan to reconnect Iowans to DHS services by making access more convenient both in method and location. Reduces costs of determining availability, eligibility, and accessibility and starting the process of getting the Customer the service they need.

b. (T) – Eliminates redesign costs of current systems. Decreases maintenance costs of each system. Transfers many routine and regular reporting from expensive mainframe processes to servers and workstations. Existing resources will be transferred from maintaining existing system to supporting this new system.

c. (I) – Provides mechanism (through client or e-based access) for State Executives such as the Governor's Staff, Elected State and Federal Representatives (House & Senate) , and Oversight Executives to access information directly from their workstation.

d. (TI) – Establishes this DHS program as an open architecture, uniform standards-based integrated system. Enables goal of integrating this program with other DHS and State Agencies to provide higher levels of service and decreases costs associated with upgrades and system enhancements.

e. (TI) – Enables ACFS to become a proactive service provider. With integration into other State systems, queries can be run to identify Iowans who may be eligible for State services and notify them.

f. (I) – Self-Sufficiency. Promotes Customer and Community self-sufficiency by creating the entire population of Iowa as potential service provisioners. For example, a person in need could turn to their minister, neighbor, or other member of the community for help in identifying the availability of services.

g. (T) – Costs of supplying services. Integrating services allows a customer who has gone through the eligibility component of the system to simultaneously register for all services they are eligible to receive.

h. (T) – More money to services instead of support. With an integrated front end transaction and support costs (e.g. programming, reporting) are decreased allowing more DHS money to be used to provide more services to more customers.

i. (T) – Establishes program infrastructure to integrate into EBT, providing the basis for a "paper-free" process form service availability, eligibility, access, registration, receipt of service, payment for service, and the management of the process.

3. A summary that identifies the project stakeholders and how they are impacted by the project.

Literally EVERY Iowan and every State organization is positively impacted by this project.

- Iowa Legislature – Access to better information for better programs for Iowans.
- Customers – Simpler, easier to use information of DHS services, eligibility screening, and uniform and unified access to multiple services.
- DHS Employees – Better service to our Customers.
- Other State Agencies – Reduced costs involved in standardizing their access into DHS systems.

- Providers – Better cross-program accountability of services provided. Better management of venders included in ACFS service programs.
- Accountability – Fast and effective methods to identify fraud, waste, and abuse.

SECTION 2: PROJECT PLAN

Individual project plans will vary depending upon the size and complexity of the project. A project plan includes the following information:

1. Agency Information

Project Executive Sponsor Responsibilities:

Jointly:
Mary Nelson, Administrator, Adult, Child, and Family Services (Program Executive)
Steve Mosena, Administrator, Division of Data Management (Technical Executive)
Phone: 281-8708 or 242-5808
Email: smosena@dhs.state.ia.us

Organization Skills:
This project builds on the skills being obtained through the Data Warehouse and Unified front-end Objectives. As a coordinated project, acquisition of skills will be coordinated to minimize costs and eliminate duplication of effort.

1. Systems Architect – An individual who posses a significant amount of knowledge and expertise building front-ends to legacy systems.
2. Program Manager – Internally selected individual to oversee the strategic planning and operational implementation of the planned components. This asset is currently in place as permanent party DHS full-time employee.
3. Systems Analyst (Legacy) – Systems Analysts currently in place, either through contract or permanent party status, who have expert knowledge in the current systems used by the Department of Human Services.
4. System Analyst (New System) – One or more individuals who posses expertise with the new system being selected as the unified front end. The two groups of Systems Analysts comprise the primary team building the unified front end.
5. Program Analysts – Individuals with extensive programming skills in the new system selected for the front end.
6. Business Analysts – Program representatives who understand the information requirements of the DHS supported programs.

2. Project Information

Mission, Goals, Objectives:

A. **Expectations**: Build from existing IT resources a system which both integrates all activities within ACFS and complies with e-commerce, data warehouse, unified front-end systems requirements.

B. **Measures**: All information necessary to manage and deploy these services are available on a real-time basis to those needing the information (including all stakeholders based on specific issues and goals) leading to a paper-free process from service initiation through payment to metric-based efficacy review & federal reporting.

C. **Environment:** Input continues from defined sources, however, the new operating environment will be a real-time, data-based system. A program element of DHS's global information system (data warehouse, Iowa Resource House, Unified Front-End, and E-commerce initiatives).

D. **Project Management and Risk Mitigation**: Risk is mitigated through joint system development focusing on end-user requirements while integrating with other management and system desirable features. Risk is also mitigated through vesting of program management to Division of Data Management (Program manager for other DHS initiatives in item C above).

E. **Security / Data Integrity / Data Accuracy / Information Privacy**: No additional security requirements than those identified as Enterprise goals through ITD.

3. Current Technology Environment (Describe the following):

A. **Software (Client Side / Server Side / Midrange / Mainframe)**

- Primarily Mainframe only with programming in JCL and CoBOL.

B. **Hardware (Client Side / Server Side / Mid-range / Mainframe):**

- Current segregation of systems prevents accurate analysis of actual hardware resources specifically assigned to ACFS. However, primary hardware involvement is with Mainframe.

4. Proposed Environment (Describe the following):

A. Software (Client Side / Server side / Mid-range / Mainframe)

- To be determined.
- Client-server architecture will be used as primary interface with supporting transactional support supplied through mainframe.

B. Hardware (Client Side / Server Side / Mid-range / Mainframe)

- See item A above.

Data Elements: Data mapping with redundancy elimination will be accomplished as part of this project in coordination with Data Warehouse project.

Project Schedule: This is anticipated as a SFY 2003 only funding initiative. Overlapping integration with other initiatives will occur, however, those items are accounted for within the scope and funding of the other initiatives.

SECTION 3: Return On Investment (ROI) Financial Analysis

Project Budget:

Provide the estimated project cost by expense category.

Personnel	$ 260,000
Software	$ 1,343,125
Hardware	$ 534,375
Training	$
Facilities	$
Professional Services	$
Supplies	$
Other (Specify)	$
Total	$ 2,137,500

Project Funding:

Provide the estimated project cost by funding source.

State Funds	$ 2,137,500	100	% of total cost
Federal Funds	$		% of total cost
Local Gov. Funds	$		% of total cost
Private Funds	$		% of total cost
Other Funds (Specify)	$		% of total cost
Total Cost:	$		% of total cost

How much of the cost would be incurred by your agency from normal operating budgets (staff, equipment, etc.)? ..... $ 0 0 %

How much of the cost would be paid by "requested IT project funding"? .. $ 2,137,500 100 %

Provide the estimated project cost by fiscal year: FY 2002 $ 2,137,500

FY 2003 $ 0

FY _____ $ _____

ROI Financial Worksheet Directions (Attach Written Detail as Requested):

Annual Pre-Project Cost -- Quantify, in written detail, all actual State government direct and indirect costs (personnel, support, equipment, etc.) associated with the activity, system or process prior to project implementation. This section should be completed only if State government costs are expected to be reduced as a result of project implementation.

Annual Post-Project Cost -- Quantify, in written detail, all estimated State government direct and indirect costs associated with activity, system or process after project implementation. This section should be completed only if State government costs are expected to be reduced as a result of project implementation.

State Government Benefit – Iowa receives the following benefits:

1. $400,000 available federal money for information management and reporting.

2. $198,999 reduced registration costs for all program recipients (22,185).

3. $99,500 additional reduced registration costs for semi-annual registrations.

Additional, quantifiable benefits are expected, however, at this time reasonable assessment can not be made. To promote conservatism, no attempt is made to guess as to the value.

Citizen Benefit – Citizens benefit as follows:

1. $85,689 reduced registration costs (annual and semi-annual registrants).

2. $35,418 additional reduced registration costs for on-line registrations.

Opportunity Value/Risk or Loss Avoidance Benefit – This project is mandatory to comply with HF 2205 covering e-commerce and to meet DHS's strategic action plan. Also listed as an opportunity cost is the $342,000 expense to fix existing flaws in the system. This expense is forgone with this proposal.

Total Annual Project Benefit -- Add the values of all annual benefit categories.

Total Annual Project Cost – Once implemented reductions in cost currently involved in maintaining the current systems will cover anticipated annual maintenance costs of this system.

Benefit / Cost Ratio – Divide the "Total Annual Project Benefit" by the "Total Annual Project Cost." If the resulting figure is greater than one (1.00), then the annual project benefits exceed the annual project cost. If the resulting figure is less than one (1.00), then the annual project benefits are less than the annual project cost.

ROI -- Subtract the "Total Annual Project Cost" from the "Total Annual Project Benefit" and divide by the amount of the project funds requested.

Benefits Not Cost Related or Quantifiable – Please refer to section one for a discussion on these items.

ROI Financial Worksheet

Annual Pre-Project Cost - How You Perform The Function(s) Now	
FTE Cost (salary plus benefits):	
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	
A. Total Annual Pre-Project Cost:	
Annual Post-Project Cost – How You Propose to Perform the Function(s)	
FTE Cost:	
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	
B. Total Annual Post-Project Cost:	
State Government Benefit (= A-B):	
Annual Benefit Summary	
State Government Benefit:	**$698,499**
Citizen Benefit (including quantifiable "hidden taxes"):	**$121,107**
Opportunity Value and Risk/Loss Avoidance Benefit:	**$342,000**
C. Total Annual Project Benefit:	**$1,161,606**
D. Total Annual Project Cost:	**$773,906**
Benefit / Cost Ratio (C / D):	**1.50**
ROI (C – D / Project Funds Requested):	**18 %**
X Benefits Not Cost Related or Quantifiable (including non-quantifiable "hidden taxes")	